GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3948
ANSWERED ON:09.08.2002
BUNGLING IN STC
CHANDRA NATH SINGH;SADASHIVRAO DADOBA MANDLIK

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are aware of the involvement of some officers of the State Trading Corporation in the oilcake scamas a result of which the STC has suffered a loss of the crores of rupees;

(b) if so, the details of the officers involved in this scam;

(c) the action taken or contemplated by the Government against such officers; and

(d) the steps taken or proposed to be taken by the Government to check recurrence of such scams in the future?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) Yes, Sir.

(b) & (c) Charge Sheets for Major penalty proceedings have been issued to 13 Managers. Commissioner for Departmental Inquiries, Central Vigilance Commission has been appointed to conduct the inquiry in these cases. Based on source information, CBI Bhopal have registered four Regular Cases (RCs) against 7 officials of Bhopal Branch.

(d) STC on noticing the use of excessive delegation of powers by its branches and excessive purchase of seeds despite fall in international market prices of extraction, issued specific instructions not to undertake any business till such time there was a parity between domestic and international market prices. STC also suspended extraction operations. Detailed guidelines to avoid possibility of any further losses were also issued by the management of STC. In the light of experience gained, STC re-entered oil extraction operations at an opportunate time in 2000-01 and undertook exports of de-oiled cakes amounting to Rs. 15.45 crore and earned a trading profit of Rs. 12 lakhs.